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## **Mayor Reed's Budget Message Promotes Fiscal Responsibility**

**San José** —San José Mayor Chuck Reed releases the Mayor's March Budget Message today with recommendations within the City's Service Areas (CSA). The new Mayor actively engaged the City Council and community in the process to make the budget as inclusive as possible. This budget message incorporates the priorities for the city as set forth by the community, senior staff, and the City Council.

"One thing is crystal clear from all that effort: We cannot become a great city unless we eliminate our structural budget deficit," said Reed. "The strategies and actions I have outlined are the beginning of what must be done to accomplish that. The best days of San José are ahead of us and together we can build San José into a great city," concluded Reed.

Reed spearheaded the community-based budgeting process with a scientific survey of the residents, Neighborhood Priority Setting Sessions, and City Council/Senior Staff Priority Setting Sessions. Four fundamental objectives were established at the start of the process. Those objectives: trust, transparency, responsiveness, and city sustainability, which guided the government-community interactions and decision making.

Mayor Reed's Budget Message includes a proposal to measure all budget reductions or augmentations against the following criteria: (1) impact on essential public services; (2) adherence to Council-approved priorities; (3) relative importance to operational efficiency; (4) effect on fiscal integrity and flexibility; and (5) economic impact on jobs. With those principles

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in mind, the message includes recommendations to bridge the budget shortfall while maintaining neighborhood services and reducing the structural deficit.

Reed has committed to “forming a Budget Shortfall Advisory Group to help review the budget from top to seeking options and alternatives for the City Council’s consideration. The goal is to close the General Fund structural deficit.” According to Mayor Reed, “The Advisory Group will take a fresh look at what we do, with everything on the table. They will be tasked with developing a three-year financial strategic plan for addressing the City’s structural deficit by the fall.”

Also important to Reed is incorporating CitiStat into our government. “Quality of life is also about how government serves you. And one basic question is how do we get the best service from City Hall? CitiStat is an accountability program based on the CompStat program pioneered in the New York City Police Department. With Citistat, department heads report regularly with real data on budgets, overtime, contracts and customer service response times. Performance measures are set and then monitored with real time data. And that knowledge is going to help us deliver services faster and more efficiently.”

“Our residents have expressed a need for increased police presence. I am requesting funding for 15 additional police officers to help meet the rise in property crimes and to improve community policing.” said Reed.

Reed continued, “I recommend augmenting the City Auditor’s office to allow for more performance audits and review of major contracts so we’ll know if we are overpaying for services or failing to collect revenue. History shows that the Auditor has returned \$7 for every \$1 in the city spent on Auditor staffing.”

The Mayor’s March Budget Message, as required by the City Charter, provides the framework and guidance to the City Manger and Redevelopment Agency Director to propose a balanced budget on May 1, 2007. The City Council will consider the mayor’s budget proposals at a study session on Thursday, March 15, 2007 in the City Hall Council Chambers from 9:00 a.m.- noon.

The mayor’s budget message is available at [www.sanjoseca.gov/mayor](http://www.sanjoseca.gov/mayor).

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